YOUNG CONAWAY STARGATT & TAYLOR, LLP

BRUCE M. STARGATT
BEN T. CASTLE
SHELDON N. SANDLER
RICHARD A. LEVINE
RICHARD A. ZAPPA
FREDERICK W. IOBST
RICHARD H. MORSE
DAVID C. MCBRIDE
JOSEPH M. NICHOLSON
CRAIG A. KARSNITZ
BARRY M. WILLOUGHBY
JOSY W. INGERSOLL
ANTHONY G. FLYNN
JEROME K. GROSSMAN
EUGENE A. DIPRINZIO
JAMES L. PATTON, JR.
ROBERT L. THOMAS
WILLIAM D. JOHNSTON
TIMOTHY J. SNYDER
BRUCE L. SILVERSTEIN
WILLIAM W. BOWSER
LARRY J. TARABICOS
RICHARD A. DILIBERTO, JR.
MELANIE K. SHARP
CASSANDRA F. ROBERTS
RICHARD J.A. POPPER
TERESA A. CHEEK

NEILLI MULLEN WALSH
JANET Z. CHARLTON
ROBERT S. BRADY
JOEL A. WAITE
BRENT C. SHAFFER
DANIEL P. JOHNSON
CRAIG D. GREAR
TIMOTHY JAY HOUSEAL
BRENDAN LINEHAN SHANNON
MARTIN S. LESSNER
PAULINE K. MORGAN
C. BARR FLINN
NATALIE WOLF
LISA B. GOODMAN
JOHN W. SHAW
JAMES P. HUGHES, JR.
EDWIN J. HARRON
MICHAEL R. NESTOR
MAUREEN D. LUKE
ROLIN P. BISSELL
SCOTT A. HOLT
JOHN T. DORSEY
M. BLAKE CLEARY
CHRISTIAN DOUGLAS WRIGHT
DANIELLE GIBBS
JOHN J. PASCHETTO
NORMAN M. POWELL

THE BRANDYWINE BUILDING
1000 WEST STREET, 17TH FLOOR
WILMINGTON, DELAWARE 19801

P.O. BOX 391
WILMINGTON, DELAWARE 19899-0391

(302) 571-6600
(800) 253-2234 (DE ONLY)
FAX: (302) 571-1253

DIRECT DIAL: (302) 571-6689
DIRECT FAX: (302) 576-3334
jshaw@ycst.com

ATHANASIOS E. AGELAKOPOULOS
LISA A. ARMSTRONG
GREGORY J. BABCOCK
JOSEPH M. BARRY
SEAN M. BEACH
DONALD J. BOWMAN, JR.
TIMOTHY P. CAIRNS
KARA HAMMOND COYLE
MARGARET M. DIBIANCA
MARY F. DUGAN
ERIN EDWARDS
KENNETH J. ENOS
IAN S. FREDERICKS
JAMES J. GALLAGHER
SEAN T. GREECHER
STEPHANIE L. HANSEN
DAWN M. JONES
RICHARD S. JULIE
KAREN E. KELLER
JENNIFER M. KINKUS
EDWARD J. KOSMOWSKI

JOHN C. KUFFEL
TIMOTHY E. LENGKEEK
ANDREW A. LUNDGREN
MATTHEW B. LUNN
JOSEPH A. MALFITANO
ADRIA B. MARTINELLI
MICHAEL W. MCDERMOTT
MARIBETH L. MINELLA
EDMON L. MORTON
D. FON MUTTAMARA-WALKER
JENNIFER R. NOEL
JULIE C. PANARO
ADAM W. POFF
SETH J. REIDENBERG
MICHELE SHERRETTA
MONTÉ T. SQUIRE
MICHAEL P. STAFFORD
CHAD S.C. STOVER (SC ONLY)
JOHN E. TRACEY
MARGARET B. WHITEMAN
SHARON M. ZIEG

SPECIAL COUNSEL
JOHN D. MCLAUGHLIN, JR.
ELENA C. NORMAN
KAREN L. PASCALE
PATRICIA A. WIDDOSS

SENIOR COUNSEL
CURTIS J. CROWTHER

OF COUNSEL
STUART B. YOUNG
EDWARD B. MAXWELL, 2ND

February 28, 2006

BY CM/ECF

The Honorable Kent A. Jordan
United States District Court
844 N. King Street
Wilmington, DE 19801

Re: Cryovac, Inc. v. Pechiney Plastic Packaging, Inc., C.A. No. 04-1278-KAJ

Dear Judge Jordan:

Smithkline Beecham v. Apotex Corp., No. 04-1522 (Fed. Cir. February 24, 2006), forwarded to you with Mr. Powers' letter of February 27, 2006, is indeed the case that Mr. Farabow, counsel for Cryovac, referred to at the oral argument in this case on December 16, 2005. Unfortunately, the *Smithkline v. Apotex* case did not decide the *Scripps/Atlantic Thermoplastics* conflict raised at that hearing. Nor does it support Pechiney's position on claim construction in this case.

In the slip opinion, the panel majority specifically states with regard to that conflict that "we need not address this controversy here." *Smithkline Beecham v. Apotex Corp.*, No. 04-1522, slip op. at 7 (Fed. Cir. February 24, 2006). Further, in the sentence immediately following that quoted at page 2 of Mr. Powers' letter, the panel majority stated that " we take no position on whether a product-by-process claim is construed with reference to the process steps." *Id.* at 12, n. 7. The majority opinion did, however, state that "if those product-by-process claims produced a different product than that disclosed by the '723 patent, there would be an argument that the '723 patent disclosure did not anticipate. *In re Luck*, 476 F. 2d 650, 653 (CCPA 1973)." In the present case, the Shah patent teaches that "orientation," as defined in the patent, is necessary to produce the properties desired in the final product. In fact Pechiney's own expert, Dr. Mount, has conceded that the properties of the final product change depending on how the orientation is accomplished. *See* D.I. 254, Ex. 221 at 57:20-59:6.

Judge Newman's dissent does rationalize *Scripps* and *Atlantic Thermoplastics* and makes it clear that all claim limitations must be given effect.

We believe that *Smithkline Beecham* will be seeking en banc review of this decision, as the panel majority reached the decision of anticipation without first construing the claims at issue as Federal Circuit precedent requires. Anomalously, the panel majority's decision would allow a specific product to invalidate the patent claims, although the same product would not infringe the claims. In the past, the Federal Circuit has required that claims be interpreted the same for validity and infringement and has uniformly held that "that which infringes, if later, would anticipate, if earlier." *See* Judge Newman's dissent, at p. 2.

Thus, contrary to Mr. Farabow's hope as stated at the December hearing, the Federal Circuit did not resolve the *Scripps/Atlantic Thermoplastics* conflict, and we believe that Mr. Powers' letter incorrectly construes the applicability of the *Smithkline v. Apotex* case to the present one.

Respectfully submitted,

John W. Shaw

JWS:prt

cc: Clerk of the Court (by hand delivery)
N. Richard Powers, Esquire (by hand delivery)
Steven R. Trybus, Esquire (by e-mail)
Ford F. Farabow, Esquire (by e-mail)